

ORIGINAL

Decision No. 80215

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of

DOMINGUEZ WATER CORPORATION,
a California corporation,

For authorization to issue and
sell not to exceed \$1,200,000
aggregate principal amount of
its First Mortgage Series F
3% Bonds of 1997 and to execute
and deliver a Sixth Supplemental
Indenture.

Application No. 53399
(Filed June 14, 1972)

O P I N I O N

Dominguez Water Corporation seeks authorization to
execute and deliver a supplemental indenture and to issue
\$1,200,000 principal amount of its first mortgage bonds.

Applicant is a California corporation providing
public utility water service in Los Angeles County. For
the year 1971 it reports operating revenues and net income
in the respective amounts of \$3,920,986 and \$371,160. The
utility's capitalization percentages at March 31, 1972, and
as adjusted to give effect to the proposed bond issue, are
computed as follows:

	<u>March 31, 1972</u>	<u>Pro Forma</u>
Long-term debt	51%	56%
Preferred stock	7	7
Common stock equity	<u>42</u>	<u>37</u>
Total	<u>100%</u>	<u>100%</u>

The proposed Bond issue would be designated First Mortgage Series F 8% Bonds of 1997, and would be secured by an existing indenture as heretofore supplemented and amended and as further supplemented and amended by a proposed Sixth Supplemental Trust Indenture. A ten-year restricted redemption provision would apply to the proposed bond issue.

The company proposes to sell the bonds to The Lincoln National Life Insurance Company at their principal amounts plus accrued interest, pursuant to the terms of a Bond Purchase Agreement. The net proceeds, exclusive of accrued interest, would be used to retire outstanding bank loans incurred for the construction, completion, extension or improvement of applicant's facilities, and thereafter if any proceeds remain they would be used for capital purposes. Accrued interest would be used for the foregoing purposes or for general corporate purposes.

After consideration the Commission finds that:

1. The proposed bond issue is for proper purposes.
2. Applicant has need for external funds for the purposes set forth in this proceeding.
3. The proposed Sixth Supplemental Trust Indenture would not be adverse to the public interest.
4. The proposed restricted redemption provision is reasonable.
5. The money, property or labor to be procured or paid for by the issue of the bonds herein authorized is reasonably required for the purposes specified herein, which purposes, except as otherwise authorized for accrued interest, are not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. The authorization herein granted is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

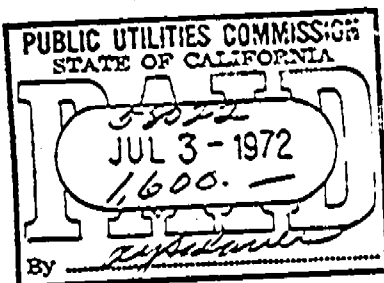
1. Dominguez Water Corporation may execute and deliver a Sixth Supplemental Trust Indenture in substantially the same form as that attached to the application as Exhibit B.

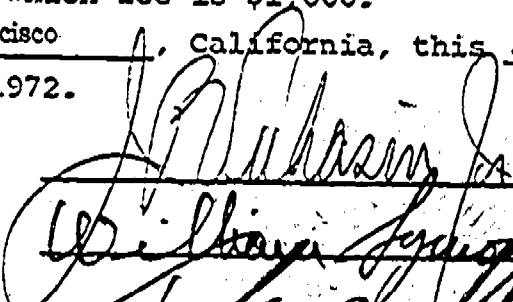
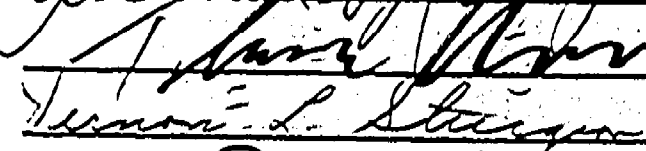
2. Dominguez Water Corporation, for the purposes specified in this proceeding, may issue, sell and deliver not exceeding \$1,200,000 aggregate principal amount of its First Mortgage Series F 8% Bonds of 1997 substantially in accordance with the provisions of a Bond Purchase Agreement, a copy of which is attached to the application as Exhibit C.

3. Dominguez Water Corporation shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

4. This order shall become effective when Dominguez Water Corporation has paid the fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$1,600.

Dated at San Francisco, California, this 29th day of JUNE, 1972.




Chairman

Commissioners
